

Fiscal Estimate - 2009 Session

☒ Original
 ☐ Updated
 ☐ Corrected
 ☐ Supplemental

LRB Number 09-0232/1	Introduction Number AB-0343	
Description Expanding the secretary of revenue's authority to waive or reduce interest or penalties		
Fiscal Effect State: <div style="display: flex; flex-wrap: wrap;"> <div style="width: 33%;"> <input type="checkbox"/> No State Fiscal Effect <input type="checkbox"/> Indeterminate <input type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Create New Appropriations </div> <div style="width: 33%;"> <input type="checkbox"/> Increase Existing Revenues <input checked="" type="checkbox"/> Decrease Existing Revenues </div> <div style="width: 33%;"> <input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Decrease Costs </div> </div> Local: <div style="display: flex; flex-wrap: wrap;"> <div style="width: 33%;"> <input type="checkbox"/> No Local Government Costs <input type="checkbox"/> Indeterminate 1. <input type="checkbox"/> Increase Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 2. <input type="checkbox"/> Decrease Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory </div> <div style="width: 33%;"> 3. <input type="checkbox"/> Increase Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 4. <input type="checkbox"/> Decrease Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory </div> <div style="width: 33%;"> 5. Types of Local Government Units Affected <div style="display: flex; justify-content: space-between;"> <div> <input type="checkbox"/> Towns <input type="checkbox"/> Counties <input type="checkbox"/> School Districts </div> <div> <input type="checkbox"/> Village <input type="checkbox"/> Others 0 <input type="checkbox"/> WTCS Districts </div> <div> <input type="checkbox"/> Cities </div> </div> </div> </div>		
<div style="display: flex; justify-content: space-between;"> <div> Fund Sources Affected <input checked="" type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS </div> <div> Affected Ch. 20 Appropriations </div> </div>		
Agency/Prepared By DOR/ Bradley Caruth (608) 261-8984	Authorized Signature Rebecca Boldt (608) 266-6785	Date 7/27/2009

Fiscal Estimate Narratives

DOR 7/27/2009

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Description					
Expanding the secretary of revenue's authority to waive or reduce interest or penalties					

Assumptions Used in Arriving at Fiscal Estimate

Under current law, if an individual, fiduciary, or trust underpays its estimated tax, the amount of the underpayment is subject to an annual interest rate of 12%, unless certain exceptions apply. Similarly, individuals are required to pay civil penalties if they fail to file income or income and franchise tax returns by the statutory due date, fail to file information returns, file incomplete or incorrect returns, file incomplete or incorrect deposit or withholding reports, or file late withholding reports.

This bill extends the Secretary of Revenue's authority to waive or reduce interest or penalties in these instances if, in the interest of fairness, it is determined that no interest or penalties should be imposed.

Since taxpayers can petition for compromise in order to address issues of inability to pay or fairness and equity, it is unlikely that significant collections of interest and penalties will be waived under the bill. Therefore the fiscal effect of the bill is expected to be minimal.

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2009 Session

Detailed Estimate of Annual Fiscal Effect

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Description Expanding the secretary of revenue's authority to waive or reduce interest or penalties		
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):		
II. Annualized Costs:	Annualized Fiscal Impact on funds from:	
	Increased Costs Decreased Costs	
A. State Costs by Category		
<input type="checkbox"/> State Operations - Salaries and Fringes	\$	\$
<input type="checkbox"/> (FTE Position Changes)		
<input type="checkbox"/> State Operations - Other Costs		
<input type="checkbox"/> Local Assistance		
<input type="checkbox"/> Aids to Individuals or Organizations		
<input type="checkbox"/> TOTAL State Costs by Category	\$	\$
B. State Costs by Source of Funds		
<input type="checkbox"/> GPR		
<input type="checkbox"/> FED		
<input type="checkbox"/> PRO/PRS		
<input type="checkbox"/> SEG/SEG-S		
III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)		
	Increased Rev	Decreased Rev
<input type="checkbox"/> GPR Taxes	\$	\$
<input type="checkbox"/> GPR Earned		
<input type="checkbox"/> FED		
<input type="checkbox"/> PRO/PRS		
<input type="checkbox"/> SEG/SEG-S		
<input type="checkbox"/> TOTAL State Revenues	\$	\$
NET ANNUALIZED FISCAL IMPACT		
	State	Local
NET CHANGE IN COSTS	\$	\$
NET CHANGE IN REVENUE	\$SeeText	\$
Agency/Prepared By	Authorized Signature	Date
DOR/ Bradley Caruth (608) 261-8984	Rebecca Boldt (608) 266-6785	7/27/2009